

Message Text

CONFIDENTIAL

PAGE 01 USUN N 02810 01 OF 02 082312Z

54

ACTION IO-13

INFO OCT-01 AF-08 EUR-12 ISO-00 ARA-06 EA-07 NEA-10 OIC-02

AID-05 CIAE-00 COME-00 EB-07 FRB-03 INR-07 NSAE-00

USIA-06 TRSE-00 XMB-02 OPIC-03 SP-02 CIEP-01 LAB-04

SIL-01 OMB-01 CEA-01 DODE-00 PM-04 H-02 L-03 NSC-05

PA-01 PRS-01 SS-15 STR-04 ABF-01 SAJ-01 IGA-02 /141 W

----- 064069

R 082212Z JUL 76

FM USMISSION USUN NEWYORK

TO SECSTATE WASHDC 8218

INFO AMEMBASSY ABIDJAN

USMISSION GENEVA

AMEMBASSY MOSCOW

C O N F I D E N T I A L SECTION 1 OF 2 USUN 2810

ABIDJAN FOR ECOSOC AMB MYERSON AND MIN KITCHEN

FOR ASSISTANT SECRETARY LEWIS AND AID ADMINISTRATOR
PARKER FROM AMBASSADOR BENNETT

E.O. 11652: GDS

TAGS: UNDP, EAID, UR, CU

SUBJ: SUMMARY APPRAISAL OF UNDP 22ND GOVERNING COUNCIL

1. UNDP COMPLETED ITS 22ND GOVERNING COUNCIL IN GENEVA
ON JULY 6. MEETING WAS SUCCESSFUL ONE FROM U.S. POINT OF
VIEW, AND U.S. DELEGATION DEPARTED WITH SENSE OF
SATISFACTION OVER FACT THAT OUR OBJECTIVES WERE ACHIEVED.
NEW ADMINISTRATOR BRADFORD MORSE DREW UNSTINTED PRAISE
FROM ALL QUARTERS OF GC MEMBERSHIP; CLEARLY HE HAS
ACCOMPLISHED MARVELS ALREADY FOR MORALE OF UNDP. SUBSTANTIVE
ISSUES BEFORE GC WERE CONCLUDED SATISFACTORILY, AND DECISION
WAS POSTPONED ON POLITICALLY CHARGED ISSUE OF HAVANA
AS SITE OF JANUARY 1977 GC MEETING.

CONFIDENTIAL

CONFIDENTIAL

PAGE 02 USUN N 02810 01 OF 02 082312Z

2. AMONG THE SUBSTANTIVE ISSUES, ITEM ON BORROWING AUTHORITY HEADED LIST. NEW UNDP ADMINISTRATOR BRADFORD MORE INSISTED ON GC GRANT OF AUTHORITY TO HIM WHICH WOULD ENABLE HIM TO MOVE IF NECESSARY IN LIGHT OF CURRENT LIQUIDITY CRISIS HE HAD INHERITED FROM PREVIOUS ADMINISTRATION. USG THROUGH SUCH AUTHORITY WOULD BE BAD PRECEDENT AND WOULD HAVE EFFECT OF RELAXING INTERNAL DISCIPLINE AND GENERAL INCENTIVE TO CORRECT CURRENT SITUATION. CANADA, FRG AND OTHERS HELD SIMILARLY STRONG VIEWS. WE WORKED TOGETHER EFFECTIVELY WITH LIKE-MINDED MEMBERS TO ARRANGE A COMPROMISE SOLUTION WHICH PAID ACKNOWLEDGEMENT TO MORSE'S SENSE OF RESPONSIBILITY -- AND CERTAINLY USG HAD NO DESIRE TO UNDERCUT EFFECTIVE NEW U.S. CITIZEN ADMINISTRATOR -- WHILE AT SAME TIME HEDGING BORROWING AUTHORITY WITH SUFFICIENT RESTRICTIONS THAT HOPEFULLY IT WILL NEVER BE USED.

3. COUNTRY IPF PROGRAMS FOR NEXT CYCLE 1977-81 TOOK AN INORDINATE AMOUNT OF TIME AND NIT-PICKING ARGUMENT, BUT WERE EVENTUALLY RESOLVED IN MANNER SUITABLE TO U.S. POPULATION ISSUES HAD FULL, IN THE EYES OF SOME OVER-FULL, DISCUSSION, AND POPULATION EXPERTS CAME AWAY HAPPY. DIRECT EXECUTION OF PROJECTS BY GOVERNMENTS WAS APPROVED WITH CAUTIOUSLY PHRASED LANGUAGE AND WITH SAFEGUARDS REFLECTING THE DIVERSE CONCERNS OF DEVELOPED AND DEVELOPING COUNTRIES. OTHER ITEMS, SUCH AS TECHNICAL COOPERATION AMONG DEVELOPING COUNTRIES (TCDC) AND UN VOLUNTEER PROGRAM HAD THEIR DAY AND EMERGED IN GOOD SHAPE. ALL IN ALL, SUBSTANTIVE ISSUES STAYED ON THE RAILS AND MOVED ALONG WITH ACCEPTABLE DESPATCH AND AGREEABLE RESULTS.

4. DEPARTMENT'S IMAGINATIVE PROPOSAL THAT U.S. BUY UP NON-CONVERTIBLE CURRENCIES PROVIDED THE MOST DRAMATIC OCCASION OF THE CONFERENCE AND WAS DEFINITE PLUS FOR AMERICAN LEADERSHIP IN UNDP. WE MADE CLEAR THAT OUR OFFER TO BUY UP NON-CONVERTIBLE CURRENCIES IN THE AMOUNT OF \$30 MILLION WAS A WORLDWIDE PROGRAM -- NEW ZEALAND POUNDS AND ALGERIAN FRANCS AS WELL AS RUSSIAN RUBLES -- AND THAT ITS SUCCESS WOULD DEPEND ON RESPONSE OF INDIVIDUAL COUNTRIES. WE EMPHASIZED THAT SUITABLE RESPONSE COULD WIPE

CONFIDENTIAL

PAGE 03 USUN N 02810 01 OF 02 082312Z

OUT UNDP'S LIQUIDITY CRISIS AND BEGIN IMMEDIATELY THE REBUILDING OF OPERATIONAL RESERVE. WE EXPLAINED THAT OFFER DID NOT REQUIRE FORMAL ACTION BY GOVERNING COUNCIL, BUT WAS OPEN TO RESPONSE OF PERTINENT GOVERNMENTS WITH WHOM USG WAS PREPARED TO NEGOTIATE WITHOUT DELAY. OFFER DREW WIDESPREAD PRAISE IN PLENARY FROM BOTH G-77 COUNTRIES AND INDUSTRIAL STATES; AND WE RECEIVED CORRIDOR PRAISE FROM COUNTRIES LIKE ARGENTINA, INDIA AND GUYANA FROM

WHOM KIND WORDS FOR U.S. ON ECONOMIC SUBJECTS ARE EXCEEDINGLY RARE. SOVIETS WERE CLEARLY STUNNED BY IMPLICATIONS OF OFFER; WHILE BULGARIA AND CUBA DENOUNCED PLAN, AN UNHAPPY STATEMENT BY SOVIETS AVOIDED OUTRIGHT REJECTION. IT SEEMS DOUBTFUL THAT SOVIET DIALECTICS WILL ALLOW THEM TO ACCEPT U.S. OFFER, DESPITE EMBARRASSMENT TO THEIR POSITION BY A REFUSAL. THERE SHOULD BE VIGOROUS FOLLOWUP OF OUR PURCHASE OFFER IN MOSCOW AND OTHER CAPITALS WHICH HAVE PROVIDED NON-CONVERTIBLE CURRENCIES FOR UNDP.

5. CUBAN VENUE ISSUE: THIS WAS THE MOST DELICATE AND ELUSIVE ISSUE OF THE MEETING. IT WAS ALWAYS WITH US BUT NEVER QUITE IN VIEW. WE HAD BEEN TOLD BY MORSE AND OTHERS THAT THERE WAS NO POSSIBILITY OF DEFERRING ISSUE FURTHER, THAT 22ND GOVERNING COUNCIL WOULD DECIDE TO GO TO HAVANA. WE HAD LITTLE OR NO SYMPATHY IN GC FOR OUR POSITION, EVEN FROM OUR NORMAL ALLIES, ALTHOUGH FRG AND ONE OR TWO OTHERS TRIED TO BE HELPFUL. IN DEAN RUSK'S PHRASE, THERE WAS A GOOD BIT OF WAITING TO SEE WHO WOULD BLINK FIRST. ADMINISTRATOR MORSE AND ASSISTANT ADMINISTRATOR VALDES WERE HELPFUL GO-BETWEENS IN MAKING U.S. POSITION UNDERSTOOD BY CUBANS. U.S. DELEGATION MADE IT CLEAR TO ALL DELEGATIONS IN QUIET BUT PERSISTENT

CONFIDENTIAL

NNN

CONFIDENTIAL

PAGE 01 USUN N 02810 02 OF 02 082328Z

54

ACTION IO-13

INFO OCT-01 AF-08 EUR-12 ISO-00 ARA-06 EA-07 NEA-10 OIC-02

AID-05 CIAE-00 COME-00 EB-07 FRB-03 INR-07 NSAE-00

USIA-06 TRSE-00 XMB-02 OPIC-03 SP-02 CIEP-01 LAB-04

SIL-01 OMB-01 CEA-01 DODE-00 PM-04 H-02 L-03 NSC-05

PA-01 PRS-01 SS-15 STR-04 ABF-01 SAJ-01 IGA-02 /141 W

----- 064271

R 082212Z JUL 76

FM USMISSION USUN NEWYORK

TO SECSTATE WASHDC 8219

INFO AMEMBASSY ABIDJAN

USMISSION GENEVA

AMEMBASSY MOSCOW

C O N F I D E N T I A L SECTION 2 OF 2 USUN 2810

ABIDJAN FOR ECOSOC AMB. MYERSON AND MIN. KITCHEN

FOR ASSISTANT SECRETARY LEWIS AND AID ADMINISTRATOR
PARKER FROM AMBASSADOR BENNETT

CORRIDOR CONVERSATIONS THAT WE WERE NOT SEEKING OPEN
CONFRONTATION ON ISSUE BUT WRE ROCK HARD IN OUR POSITION.
WE WERE PREPARED TO GO PUBLIC IN PLENARY DISCUSSION IF
NECESSARY. GOVERNING COUNCIL MEMBERS SHOULD THINK
LONG AND HARD BEFORE DECIDING TO HOLD A MEETING IN A CAPITAL
WHICH WOULD BRING CERTAIN RESULT THAT LARGEST UNDP CONTRIBUTOR
WOULD BE UNABLE TO ATTEND -- A MEETING AT WHICH FUTURE
FINANCING WOULD FIGURE PROMINENTLY IN DISCUSSIONS.
CUBANS FROM OUTSET INSISTED THROUGH MORSE AND VALDES,
AND AT TIMES OTHER CHANNELS, THAT THEY RECOGNIZED
REALITIES IN AMERICAN ELECTION YEAR AND DID NOT WANT
TO MAKE RELATIONS WITH THE UNITED STATES ANY WORSE THAN
THEY ALREADY ARE. IN THE END AMBASSADOR ALARCON AND
JOSE VIERA, MEMBER OF CUBAN DELEGATION WHO WAS APPOINTED
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 USUN N 02810 02 OF 02 082328Z

DEPUTY FOREIGN MINISTER WHILE IN GENEVA AND RETURNED
TO HAVANA IN LATTER DAYS OF GC MEETING REPORTEDLY TO
TALK WITH CASTRO, TOOK ACTION. WITH ASSISTANCE FROM
MORSE AND VALDES, THEY WORKED OUT RESOLUTION TO DEFER
DECISION ON SITE FOR 23RD GOVERNING COUNCIL AND CALLED
FOR MATTER TO BE NEGOTIATED LATER WITH COMMITTEE ON
CONFERENCES. ALARCON, WHO MADE GENERALLY GOOD
IMPRESSION AT GC AS CORRECT AND IMPARTIAL PRESIDING OFFICER,
TURNED OVER PRESIDENTIAL CHAIR TO NORWEGIAN VICE-PRESIDENT
DURING PLENARY DISCUSSION OF THIS ITEM; AND CUBAN DELEGATION
MADE DEFERRAL RESOLUTION WHICH WAS ADOPTED WITHOUT OBJECTION.
IN SUM, ALARCON ACTED CORRECTLY ON THIS ISSUE, ALTHOUGH
TAKING THIS U.S. PILL A SECOND TIME MUST HAVE BEEN A
BITTER SWALLOW. HE SENT US WORD AT ONE POINT TO EMPHASIZE
THAT HE WAS IDEOLOGICALLY OPPOSED TO THE UNITED STATES
AND WOULD CONTINUE TO BE SO; HOWEVER, HE DID NOT WANT TO
CAUSE TROUBLE ON THIS ISSUE AT THIS TIME. CUBAN INVITATION
FOR JANUARY MEETING IN HAVANA REMAINS OPEN, AND MATTER
WILL NO DOUBT BE PRESSED ACTIVELY IN NEW YORK LATER THIS FALL.
MORSE FOR ONE PREDICTS THAT DECISION WILL ULTIMATELY BE
TAKEN TO HOLD 23RD GC IN HAVANA AND THAT U.S GOVERNMENT
WILL HAVE TO FACE UP TO IT. HOWEVER, MORSE WAS EQUALLY
FIRM IN HIS VIEW IN MAY THAT GC WOULD DECIDE IN GENEVA
TO GO
TO HAVANA. HE LOYALLY ASSISTED IN PROVING HIS

PROPHECY WRONG.

6. FOR THE RUSSIANS, UNDP 22ND GC MUST HAVE BEEN ONE OF THEIR MOST DISAPPOINTING INTERNATIONAL MEETINGS IN SOME TIME. THEY WERE ON THE DEFENSIVE FROM THE OUTSET ON THE ISSUE OF NON-CONVERTIBLE CURRENCIES, A SUBJECT WHICH WAS HIT HARD BY BOTH G-77 REPRESENTATIVES AND WESTERN INDUSTRIAL MEMBERS. THEY MADE TWO OR THREE SPEECHES, WHICH WERE AS PATHETIC AS BANAL, STRESSING ALL THE USSR HAD DONE TO PREPARE TECHNICIANS WITH SKILLS TO HELP DEVELOPING COUNTRIES AND THEN HAD RECEIVED NO REQUESTS FOR THEIR HELP. NOW THESE SOVIETS SKILLS WERE BEING LOST FOR LACK OF USE. THIS BREAST-BEATING FAILED TO PRODUCE TEARS IN THE AUDIENCE. SOVIETS SEEMED TO REGARD POSTPONEMENT OF CUBAN VENUE DECISION AS MORE OF A DEFEAT THAN DID THE CUBANS THEMSELVES. SOVIETS HAD HUNG TOUGH ON THIS ISSUE IN EARLY DAYS
CONFIDENTIAL

CONFIDENTIAL

PAGE 03 USUN N 02810 02 OF 02 082328Z

OF MEETING, AND AFTER OUR INITIAL STATEMENT HAMMERING HARD ON NON-CONVERTIBLE CURRENCY ISSUE HAD THREATENED US WITH A SURE DECISION TO GO TO HAVANA. SOVIETS WERE LEFT SPEECHLESS BY OUR OFFER TO PURCHASE NON-CONVERTIBLE CURRENCIES AND WERE PLAINLY WIT OUT INSTRUCTIONS. THEY LOST THEIR BLUSTER AND BLAND INSISTENCE ON THE VIRTUE OF DETENTE. IT WAS DIFFICULT EVEN TO MANAGE A GRACIOUS FAREWELL WITH THEM, AS THEY PLAINLY LACKED STOMACH FOR SAYING GOODBYE WITH A SMILE AND TURNED ABRUPTLY AWAY.

7. CHINA'S ROLE WAS ENTIRELY UNCONSTRUCTIVE. CHINESE DELEGATION MADE NUMEROUS SHARP INTERVENTIONS ATTACKING THE SUPER-POWERS, BUT OFFERED LITTLE ELSE. OUR PERCENTAGE OF THE CHINA VENOM WAS HIGHER AT THIS MEETING; ONE COULD ESTIMATE ABOUT 40-60 IN COMPARISON WITH THE SOVIETS. HOWEVER, THE SOVIETS SLAPPED BACK, AND SEVERAL BITTER PRG-USSR EXCHANGES BROUGHT EMPHASIS TO THE CHINESE CHARGES AGAINST THE USSR.

8. ONE DEFINITE PLUS FOR U.S. POSITION WAS THE VISIT OF AID ADMINISTRATOR PARKER AND HIS ANNOUNCEMENT THAT USG WAS WORKING OUT \$100 MILLION CONTRIBUTION FOR UNDP. PRESIDENTIAL ACTION WAS COMPLETED IN WASHINGTON IN TIME FOR THIS WELCOME INFORMATION TO BE CONFIRMED IN FINAL DAYS OF GC. AMERICAN LEADERSHIP AND AMERICAN COMMITMENT WAS THUS EMPHASIZED AND STRENGTHENED IN THIS IMPORTANT INTERNATIONAL DEVELOPMENT AGENCY.
BENNETT

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: COMMITTEE MEETINGS, DEVELOPMENT PROGRAMS, MEETING REPORTS
Control Number: n/a
Copy: SINGLE
Draft Date: 08 JUL 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: GolinoFR
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976USUNN02810
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D760264-0142
From: USUN NEW YORK
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19760777/aaaacpqi.tel
Line Count: 273
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION IO
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 5
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: GolinoFR
Review Comment: n/a
Review Content Flags:
Review Date: 03 MAY 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <03 MAY 2004 by ElyME>; APPROVED <04 MAY 2004 by GolinoFR>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: SUMMARY APPRAISAL OF UNDP 22ND GOVERNING COUNCIL
TAGS: EAID, UR, CU, UNDP
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006